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Community, Economic, & Human Development Committee  
January 5, 2006

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***Action Minutes***

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**THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.**

The meeting was called to order by Chair Deborah Robertson, at 9:50 a.m. There was a quorum.

**Members Present**

Arguello, Daniel  
Barnes, Christine  
Bowlen, Paul (**Vice Chair**)  
Coerper, Gil  
Daigle, Leslie  
Davert, Doug  
Edney, Jon A.  
Fesmire, Melanie  
Green, Cathy  
Jasper, Timothy  
Kirby, Dan  
Krause, Mary Ann  
McCallon, Larry  
McCullough, Kathryn  
Parks, Bernard  
Poe, Marilyn  
Robertson, Deborah (**Chair**)  
Ten, Mike

SGVCOG  
City of La Palma  
City of Cerritos  
City of Huntington Beach  
OCCOG  
City of Tustin  
City of El Centro/IVAG  
CVAG  
OCCOG  
City of Apple Valley  
SGVCOG  
City of Santa Paula  
City of Highland  
OCCOG  
City of Los Angeles  
City of Los Alamitos  
City of Rialto  
SGVCOG

**Members Not Present**

Dispenza, Mike  
Hofmeyer, Daryl  
Lantz, Paula  
Loveridge, Ronald  
McSweeney, Susan  
Norby, Chris  
Nowatka, Paul  
Perry, Jan  
Reyes, Ed  
Richardson, Laura  
White, Charles

City of Palmdale  
City of Paramount  
City of Pomona  
City of Riverside  
City of Westlake  
Orange County  
City of Torrance (Excused Absence)  
City of Los Angeles  
City of Los Angeles  
City of Long Beach  
WRCOG Subregion

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**New Member(s)**

Ramirez, Rick

Ring, Bob

Serrano, Joseph

Williams, Diane

Gateway Cities

OCCOG

Gateway Cities

SANBAG

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**1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE**

Chair Deborah Robertson called the meeting to order at 9:50 a.m. The Chair led the members in the Pledge of Allegiance. Chair Robertson welcomed new members to the Committee, Councilmember Joseph Serrano of Santa Fe Springs, Councilmember Diane Williams representing SANBAG, and Councilmember Bob Ring for OCCOG. Chair Robertson also recognized Councilmember Leslie Daigle representing OCCOG and Councilmember Bernard Parks who joined the Committee in December.

**2.0 PUBLIC COMMENT**

Todd Priest, BIA, commented on consent item 4.2.1 President's Advisory Panel on Tax Reform: Mortgage Interest Deduction. Mr. Priest asked the Committee's support in opposing the portion of the Reform that only allows 15% of interest paid on principle residence mortgage to be tax deductible. Mr. Priest asked that SCAG send a letter to the California Congressional delegation in opposition to this portion of the Reform.

After a short discussion of the item the Committee agreed to agendize this item for the next meeting for further discussion and possible action.

**3.0 REVIEW AND PRIORITIZE AGENDA ITEMS**

None.

**6.0 INFORMATION ITEMS**

**6.1 Report on the Subregional Audits**

Sid Tyler, Chair of the Audit Committee, reported on the status of the subregional audits for Caltrans. Councilmember Tyler stated that SCAG has been on the receiving end of quite a number of audits from Caltrans, not all very favorable. Staff has made some extraordinary efforts to get in compliance with those audits. As far as Caltrans and the Feds are concerned SCAG is still a high-risk organization. Through discussions in the Audit Committee along with staff input it has been determined that the way to improve the organization's standing is to improve internal controls by ensuring that the entire organization including the subregions are following and complying with all federal regulations. To achieve this goal it has been agreed, with RC's approval, to audit all 14 subregions through the internal audit program and in combination with Caltrans' audits of the subregions. These audits occur over the balance of this year.

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In these audits there are about 5 areas of particular interest:

- Making sure expenditures are allowable;
- Accounting for overhead is consistent with generally accepted accounting principles;
- In awarding contracts they need to be consistent with a code of Federal regulations with respect to procurement;
- Accounting for overhead is consistent with the Office of Management and Budget Regulation A-87 which has to with indirect cost allocation, and finally
- Maintaining proper documentation.

Councilmember Tyler said these audits will be done by the end of the year, some by Caltrans and some by the internal auditors. Each audit will be done at the subregional offices, documentation required by auditors will be requested in advance of the visit. The results of the audit when final, and are released, will be shared with Caltrans and Caltrans will share them with SCAG.

In conclusion, Councilmember Tyler stated the Audit Committee would like to see each Subregion with some form of an audit function to look at the kinds of checks and balances to keep the problems of auditing from occurring. The Audit Committee will be putting together a handbook of the essentials for reporting accounting for billing for each of the subregions. Finally, the Committee is trying to schedule (possibly January 18th or 19<sup>th</sup>) a mandatory meeting of subregional staff who are involved in accounting, reporting, recordkeeping administration, to go over the fundamental procedures.

#### **4.0 CONSENT CALENDAR**

It was moved by Councilmember Poe and seconded by Councilmember Krause to approve the consent calendar with no objections.

#### **4.1 Approval Item**

4.1.1 Approve Minutes of December 1, 2005

#### **4.2 Receive and File**

4.2.1 President's Advisory Panel on Tax Reform:  
Mortgage Interest Deduction

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**5.0 ACTION ITEMS**

None.

**6.0 INFORMATION ITEMS (continued)**

**6.2 Compass Blueprint Grant: Status of Application**

Joe Carreras, SCAG Staff, reported that the Blueprint Grant application has been funded. SCAG was not granted all that had been requested but was given assurance that the organization would get first year funding and the budget is very close to what staff had anticipated. Also, SCAG was assured that there will be an opportunity to apply for second year funding. The amount that SCAG received between \$1 million and \$1.3 million, SCAG has only to fine tune the grant application.

Mr. Carreras reported that some of the programs listed in the grant for funding are in the area of demonstration project for the Compass program and Compass land use general update. The other portion of the grant covered transportation and housing activities.

Chair Robertson congratulated those staff members involved in preparing the grant application, in particular, Joe Carreras, Brian Wallace, and Mark Butala, commending them for a job well done.

**6.3 Compass 2% Strategy Implementation Update**

None.

**6.4 Compass Integration into Intergovernmental Review Process**

Brian Wallace, SCAG Staff, gave a brief report on recent efforts to integrate Compass and 2% Strategy into IGR for regionally significant projects. Mr. Wallace stated that SCAG is the Statewide Clearinghouse for CEQA documents and has the authority to comment on any and all EIR process documents. IGR performs consistency review of regionally significant local plans, project, and program. Mr. Wallace stated that the thresholds for determining regionally significant projects are:

- 500 residential units
- 500,000 sf of commercial
- 250,000 sf of office
- 650,000 sf of industrial

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- Large-scale public infrastructure (freeways, air and water ports, sewage/water, etc.)
- General and some Specific Plans

Documents used to in relation for consistency review are the RTP, RCPG, and most recently Compass Growth Visioning.

Mr. Wallace emphasized that SCAG has no approval authority, SCAG is a clearinghouse to alert the public. Mr. Wallace went on to give an example of the types of project received at SCAG. Mr. Wallace summarized some of the things done this year are:

- Letters cite Compass Growth Vision as one of three major regional plans used to review projects and plans
- Able to highlight project or plan's apparent use of Compass principles
- Bi-weekly clearinghouse Report on SCAG website
- Offer SCAG's participation and support in integrating Compass with project or plan

Mr. Wallace stated that for this year staff is looking 2% Strategy criteria provide additional opportunity to comment on additional projects/plans: for the "top 50" cities in the 2@ area. To use staff knowledge and expertise in a multi-disciplinary team in the areas of environmental, and transportation; provide relevant guidance on all projects/plans in 2% areas; notify elected representative and COG/subregional coordinators; explore improved mapping function to better monitor regional development Growth Forecast.

Chair Robertson that it would be of benefit to the Committee to not only have a monthly report but it would be very helpful to have an occasional report from other organizations on the projects taking place in their areas.

**6.5**    SB 1024 (Perata) Public Works and Improvements: Bond Measure

Sarah Adams, SCAG Staff, gave a brief presentation on the portion of the SB 1024 (Perata) that deals specifically with housing components. Ms. Adams stated that SB 1024 was initially introduced to provide bond revenue for infrastructure improvements through the state of California. At this point the total of the bill is \$10.275 billion in general obligation bonds.

Ms. Adams said the goals of the bill are to: flood protection, transportation, housing, and environmental mitigation. It is expected that this bill will move at a very quick pace there is a possibility that the bill will be on the June ballot. Ms. Adams then gave the Committee an idea of how the money would be distributed.

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In summary, Ms. Adams said staff is planning on monitoring this bill SCAG did not take a position of support or opposition. Staff does expect that the bill will pass and be placed on the ballot.

Ms. Adams gave a brief report on the December 13 hearing for Goods Movement which was a success with a lot of public participation. General concerns for goods movement and air quality and linking incentives for infill development and regional housing for local agencies and counties.

Chair Robertson took this opportunity to introduce Councilmember Rick Ramirez representing Gateway Cities.

Councilmember Jon Edney encouraged members to attend the 9<sup>th</sup> Annual Regional Economic Forecast conference, held on January 26 at Santa Anita Park. Councilmember Edney pointed out that each CEHD and Regional Council member will not have to pay, but each member must be preregistered. Councilmember Edney will also be serving as moderator for the conference

**7.0 STAFF REPORT**

**8.0 CHAIR'S REPORT**

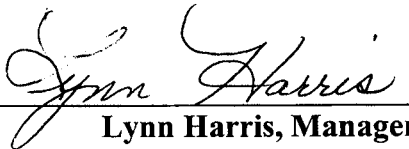
None.

**9.0 FUTURE AGENDA ITEMS**

**10.0 ADJOURNMENT**

It was moved by Councilmember McCullough and seconded by Councilmember McCallon to adjourn at 10:51 a.m. motion passed unanimously. The next CEHD meeting will be held February 2, 2006 at the SCAG office.

**Action Minutes Approved by:**

  
**Lynn Harris, Manager  
Community Development**